

**53.1 General Discussion**

After substantial completion of the work, the agency shall diligently pursue contract completion. In cases where the contractor is not diligently pursuing completion, the agency shall impose liquidating damages penalties, completion of remaining work with local forces or unilateral closure and claims against the contractor.

After the construction phase of a FHWA transportation project, done either by competitive bidding or by local agency forces, specific procedures are carried out to terminate the project's finances and review project performance. These procedures are necessary in order to settle any outstanding contract obligations, and to ensure that funds were expended properly.

Chapter 53 lists requirements for closing the project accounts at WSDOT and FHWA and discusses project management reviews and project audits.

**53.2 Closure**

After the construction contract is complete, a 90-day project closure period begins. This closure period is initiated upon receipt of either a completion letter from the local agency or a final inspection of the project from the Region Local Programs Office. During this period, the local agency must complete the requirements described below.

**No further payment will be made after the date indicated on the 90-day closure letter without the approval of Highways and Local Programs.**

The local agency may request, however, that the 90-day closure period be extended. In this case, the local agency shall submit a written request to Highways and Local Programs justifying an extended closure period.

**.21 Completion Letter.** Within 15 calendar days of completion as defined in Standard Specifications section 1-08.5 or the APWA Approved GSP by the same number, the local agency shall submit a physical completion letter to the Region Local Programs Engineer.

**.22 WSDOT Project Review.** The Region Local Programs Engineer will conduct the final field inspection. It is suggested that the Region Local Programs Engineer be invited to the final project inspection with the contractor. If the final inspection reveals items that must be corrected or resolved before the project can be closed, these will be noted in the final inspection report. The Region Local Programs Engineer will work with the local agency to make the necessary corrections or to accomplish resolutions. If there is an unresolvable item indicating that a portion of project work is ineligible for FHWA reimbursement, WSDOT will issue a letter of notification outlining the ineligible work items and related costs.

**.23 Final Billing.** Within 90 calendar days of the completion date, the local agency shall submit the following documents to the Region Local Programs Engineer, clearly marked “Final Billing:”

- a. The local agency’s final billing on Form PPC2.
- b. Written justification for billings exceeding the Local Agency Agreement amount. These require approval by the Director of Highways and Local Programs.

Upon receipt of the final billing, WSDOT will pay the federal share or bill the local agency as appropriate.

**.24 Project Approval.** Highways and Local Programs will inform the local agency when FHWA has approved the Final Voucher and will explain what records must be retained and for how long.

### 53.3 Project Reviews

In order to be reasonably certain that local agencies are administering FHWA funds in accordance with the Local Agency Guidelines, WSDOT will perform procedural reviews on selected local agency ad-and-award projects.

These reviews will be:

- Project Management Reviews (PMR) performed by Highways and Local Programs (See Appendix 53.51 for review questions for PMR’s and Documentation Reviews) and/or
- Documentation Reviews performed by the Region Local Programs Engineer
- Project Administration Reviews (PAR) by H&LP – (See chapter 62 and Appendix 62.101)

The agency may lose CA status, have its delegation of authority reduced to a project or phase of a project, or be placed on probationary CA. This may be the result of

- A PMR or Documentation Review
- An audit by the State Auditor
- Final project inspection
- The qualifications and experience of the agency staff are altered.

**.31 PMR Preparation.** Highways and Local Programs, through the Region Local Programs Engineer, will schedule a PMR with the agency and will request that the local agency managers participate. The local agency should have all pertinent documentation ready for the scheduled review. Typical procedural review questions are listed in Appendix 53.51. Typical documents to be examined during this review are also listed in Appendix 53.51. All deficiencies will be identified for the agency at the time of the

PMR. Copies of documentation not available at the time of review shall be submitted through the Region Local Programs Engineer within 30 calendar days. After the 30-day period, the final PMR letter will be sent to the agency.

**.32 PMR Deficiencies.** If no major deficiencies are found in the local agency's project management methods, the local agency will be informed in writing of the review team's findings and recommendations.

If major deficiencies exist, the local agency will be asked to take corrective action within 60 days. If the deficiencies include ineligible work, WSDOT will issue a citation letter.

If deficiencies exist in the agency's procedures, management practices, or systems, or if specific project errors are found, WSDOT's administrative response might be one or more of the following:

- No action against the agency.
- Joint conference with the Local Agency, Region Local Programs Engineer, and the Director of Highways and Local Programs or the director's designee.
- Limit or withhold the agency's future Certification Acceptance authority (Chapter 13) to the extent deemed necessary:
  - a. Allow Certification on a project-by-project basis.
  - b. Direct WSDOT to assign a Project Engineer to each project for supervision, inspection, and administration.
  - c. Contract the supervision, inspection, and administration to a consulting firm.
  - d. Delay project authorization until adequate supervision, inspection, and administration is available from the local agency, WSDOT, or consultants.
- Establish a repayment plan when violations to procedures make certain expenditures ineligible for federal reimbursement. Per Section VII of the Local Agency agreement, withholding of funds from the local agency's gasoline tax distribution may be necessary if a satisfactory repayment plan is not established within 45 days.

## 53.4 Financial and Compliance Audit

**.41 By the State Auditor.** The local agency is responsible for ensuring that an audit is performed in accordance with OMB Circular A-133. WSDOT is also responsible for ensuring that FHWA funds are properly expended. The State Auditor will therefore audit each local agency.

**.42 By WSDOT.** A project audit by WSDOT Auditors is triggered by deficiencies found during:

- a. A routine audit by the State Auditor, either on an FHWA project or on any other project where federal funds are involved.
- b. A documentation review.
- c. A project management review.
- d. PAR

**.43 Project Records.** Project records shall be maintained in accordance with the terms of the Local Agency Agreement and shall be made available to the audit personnel upon request. It is helpful if field notes and other documentation are available in sufficient detail to facilitate the audit review.

**.44 Audit Report.** The state auditor will submit a formal audit report to the Director of Highways and Local Programs and to FHWA. If findings on a particular audit arise, Highways and Local Programs will contact the agency to confirm the findings and coordinate resolution with the agency and Highways and Local Programs. Audit findings must be resolved within six months of the date that the audit report is issued. Audits will normally include the following categories:

- Interagency Agreements
- Land Development or Land Acquisition Projects
- Tier Contracting Procedures
- Fund Management — Transactions
- Accounting Methods — Cash or Accrual
- DBE-EEO Practices
- Use of Grant Acquired Equipment

## 53.5 Appendices

- 53.51 Project Review Checklist
- 53.52 Final Inspection of Federal Aid Project
- 53.53 Quarterly Report of Amounts credited as DBE Participation

U.S. Department of Labor						PAYROLL								OMB No.: 1215-0149 Expires: 03/31/2003	
Employment Standards Administration						(For Contractor's Optional Use; See Instructions, Form WH-347 Inst.)								PROJECT OR CONTRACT NO.	
Wage and Hour Division						Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.									
NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>						ADDRESS						PROJECT AND LOCATION			
PAYROLL NO.						FOR WEEK ENDING						PROJECT AND LOCATION			
(1)	(2)	(3)	(4) DAY AND DATE				(5)	(6)	(7)	(8) DEDUCTIONS			(9)		
NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF EMPLOYEE	NO. OF WITHHOLDING EXEMPTIONS	WORK CLASSIFICATION	OT OR ST	HOURS WORKED EACH DAY				TOTAL HOURS	RATE OF PAY	GROSS AMOUNT EARNED	FICA	WITH-HOLDING TAX	OTHER	TOTAL DEDUCTIONS	NET WAGES PAID FOR WEEK
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00
			O					0.00	\$0.00	/					\$0.00
			S					0.00	\$0.00	/					\$0.00

We estimate that it will take an average of 56 minutes to complete this collection of information, including time for reviewing instructions searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U. S. Department of Labor, Room S3502, 200 Constitution Avenue, N. W., Washington, D. C. 20210.

FORM WH-347, Revised Nov. 1995 - FORMERLY SOL 184 - PURCHASE THIS FORM DIRECTLY FROM THE SUPPLY OF DOCUMENTS



## Appendix 53.51

## Local Agency Project Management Review Checklist

Agency: \_\_\_\_\_ Date: \_\_\_\_\_  
Project Title: \_\_\_\_\_  
Federal Aid Project No.: \_\_\_\_\_ Contract No.: \_\_\_\_\_  
Reviewers: \_\_\_\_\_

### LAG Ref.

### 13 Table of Organization and CA Agreement Review:

<u>Action</u>	<u>Approving Authority</u>
Design Approval	_____
PS&E Approval	_____
Contract Award	_____
Contract Administration	_____

### Preliminary Engineering:

14.62 Project Development Checklist Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
24 NEPA Approval Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
42 Design Matrix Checklist Yes \_\_\_\_ No \_\_\_\_  
43.1 Design Approved By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
44.1 PS&E Approved By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
44.22 Agency Supplied Materials Approved By: \_\_\_\_\_  
44.22 Sole Source Items? Yes \_\_\_\_ No \_\_\_\_  
21.1 Changes in Scope, Limits, Character, Cost? Yes \_\_\_\_ No \_\_\_\_  
44.22 Tied Bids Approved By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

### Advertising and Award:

46.21 FHWA Construction Authorization Date: \_\_\_\_\_  
46.24 Advertising Dates: \_\_\_\_\_  
46.24 Three Week Advertising Period? Yes \_\_\_\_ No \_\_\_\_  
46.24 Affidavits of Publication in File? Yes \_\_\_\_ No \_\_\_\_  
46.25 Bid Opening Date: \_\_\_\_\_  
46.27 Award Date: \_\_\_\_\_  
46.26 Award to Lowest Bidder? Yes \_\_\_\_ No \_\_\_\_  
If Not, Explain: \_\_\_\_\_  
46.28 Contract Execution Date: \_\_\_\_\_  
46.28 Contract Award Amount: \_\_\_\_\_  
46.3 Award Information Transmitted to WSDOT? Yes \_\_\_\_ No \_\_\_\_

52 First Working Day: \_\_\_\_\_ No. of Working Days: \_\_\_\_\_  
No. of Working Days Complete: \_\_\_\_\_

52.2 Preconstruction Conference Minutes Review:

Meeting held? Yes \_\_\_\_\_ No \_\_\_\_\_

Meeting documented? Yes \_\_\_\_\_ No \_\_\_\_\_

**44.1 Commitment File:**

24.94 Environmental and Permit Conditions Met Yes \_\_\_\_\_ No \_\_\_\_\_

**LAG Ref.**

**25 Right-of-Way**

Right-of-Way Acquired Yes \_\_\_\_\_ No \_\_\_\_\_

Right-of-Way Acquisition Procedures Dated: \_\_\_\_\_

Listing of Right-of-Way Staff Current Yes \_\_\_\_\_ No \_\_\_\_\_

25.11 Project Right-of-Way Certification Dated: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**52 Administrative Settlements**

52.51 Were any claims settled by Administrative Settlement? Yes \_\_\_\_\_ No \_\_\_\_\_

Were claims submitted to Local Programs Engineer? Yes \_\_\_\_\_ No \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

52.1 Project Diaries and Inspector's Daily Reports signed and reviewed?  
Yes \_\_\_\_\_ No \_\_\_\_\_

**52.4 Payrolls:**

Wage Rates Included in Contract? Yes \_\_\_\_\_ No \_\_\_\_\_

Certified by Contractor? Yes \_\_\_\_\_ No \_\_\_\_\_

Checked and Initialed by Agency? Yes \_\_\_\_\_ No \_\_\_\_\_

**27 EEO Compliance:**

27.32 PR-1391 on File and PR 1392 sent to Region Local Programs? Yes \_\_\_\_ No \_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Training:**

Training Goal Set? Yes \_\_\_\_\_ No \_\_\_\_\_ Hours \_\_\_\_\_

Training Plan Approved by Agency: Yes \_\_\_\_\_ No \_\_\_\_\_

Training Goal Met? Yes \_\_\_\_\_ No \_\_\_\_\_ Hours \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**26 DBE Compliance:**

- 26.2 DBE Goal Set: \_\_\_\_\_ %  
26.2 DBE Condition of Award Amount: \$ \_\_\_\_\_  
26.2 How Was DBE Certification Verified Prior to Award? \_\_\_\_\_

- 52.5 Change Orders Affects on DBEs: Yes \_\_\_\_\_ No \_\_\_\_\_  
52.5 Additional Work Provided to DBEs? Yes \_\_\_\_\_ No \_\_\_\_\_  
52.5 Any Changes to DBE Goals? Yes \_\_\_\_\_ No \_\_\_\_\_  
26.2 DBE goal changes approved by H&LP? Yes \_\_\_\_\_ No \_\_\_\_\_  
26.2 Quarterly Report of Amounts Credited as DBE Participation  
Sent to Region Local Programs Engineer? Yes \_\_\_\_\_ No \_\_\_\_\_

**Contract Completion:**

- 52.81 Completion Date: \_\_\_\_\_  
52.81 Completion Letter to Contractor transmitted to Local Programs: Yes \_\_\_\_ No \_\_\_\_  
52.83 End of Project Materials Certification From Project Engineer to  
Approving Authority Date: \_\_\_\_\_

**44 Traffic Control**

- 44.22e TCP or K Plans in contract accepted by Contractor? Yes \_\_\_\_\_ No \_\_\_\_\_  
44.22e Detour included in contract? Yes \_\_\_\_\_ No \_\_\_\_\_  
44.22e If yes, agreements included in contract? Yes \_\_\_\_\_ No \_\_\_\_\_ N/A

**31 Consultant Agreements**

- Yes \_\_\_\_\_ No \_\_\_\_\_  
Agreement renewed prior to expiration date? Yes \_\_\_\_\_ No \_\_\_\_\_  
Fee Type? \_\_\_\_\_  
Advertisements on file? Yes \_\_\_\_\_ No \_\_\_\_\_  
Selection Process on file? Yes \_\_\_\_\_ No \_\_\_\_\_

[illegible]

<b>Prime and Subcontractor Information</b>										
	Name	Amount	Request to Sublet 421-012	DBE	Fed. Aid Certification 420-004	Statement of Intent to Pay Prev. Wages F700-029-000	Wage Rate Interview 424-003	DBE Review 272-051	Affidavit of Wages Paid F700-007-000	Payroll
Prime										
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
Total Amount Sublet \$		NOTES:								
% of Contract Sublet = (Maximum 70%)										

Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_

Federal Aid Number: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Quantity	Revised Quantity	Paid Quantity
Lag Exception Noted	Field Note Record	
ROM Maintained	RAM # Codes	Approved Source-Pit #
Preliminary Sample	Acceptance Test	Scale Certification
Scaleman's Daily Report	Certified Ticket	Maximum Density Curve
Compaction Test	Small Quantity	Visual Inspection

[illegible]

**WSDOT Local Agency Guidelines M 36-63.04**  
**October 2008**



Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_  
Federal Aid Number: \_\_\_\_\_  
Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Quantity	Revised Quantity	Paid Quantity
Lag Exception Noted	Field Note Record	
ROM Maintained	RAM # Codes	Plant Certificate
Approved Source-Pit #/PC	Appr. Source-Mfg. Item	Qualified Products List
Prelim. Sample-Agg./PC	Acceptance Test-Agg.	Acceptance Test-Bag PC
Mill Test Report-Bulk PC	Approved Mix Design #	Cert. of Material Origin
Certified Ticket	Cylinder/Beam Breaks	Conc. Pipe Acc. Report
WSDOT Inspected	Small Quantity	Visual Inspection

Comments:

[illegible]

**WSDOT Local Agency Guidelines M 36-63.04**  
**October 2008**

Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_

Federal Aid Number: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Quantity	_____	Revised Quantity	_____	Paid Quantity	_____
Lag Exception Noted	_____	Field Note Record	_____		
ROM Maintained	_____	RAM # _____ Codes	_____	Approved Source	_____
Qualified Products List	_____	Mfg. Certificate	_____	Cert. of Material Origin	_____
Shop Drawing	_____	Test Report	_____	Fabrication Approved	_____
Sign Acceptance Report	_____	Bill of Lading	_____	Approved for Shipment	_____
Small Quantity	_____	Visual Inspection	_____		

Comments:

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Page 53-15

Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_

Federal Aid Number: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Quantity	_____	Revised Quantity	_____	Paid Quantity	_____
Lag Exception Noted	_____	Field Note Record	_____		
ROM Maintained	_____	RAM # _____ Codes	_____	Approved Source	_____
Qualified Products List	_____	Preliminary Sample	_____	Lbr. Grading Cert.	_____
Approved for Shipment	_____	Small Quantity	_____	Visual Inspection	_____

Comments:

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**WSDOT Local Agency Guidelines M 36-63.04**  
**October 2008**



Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_  
Federal Aid Number: \_\_\_\_\_  
Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Plan Quantity	Revised Quantity	Paid Quantity
Lag Exception Noted	Field Note Record	
ROM Maintained	RAM # Codes	Approved Source
Qualified Products List	Preliminary Sample	Acceptance Test
Approved Mix Design #	Bill of Lading	Scale Certification
Certified Ticket	Scaleman's Daily Report	Mfg. Certificate
Catalog Cut	Shop Drawing	Mill Test Report
WSDOT Inspected	Maximum Density Curve	Compaction Test
Cylinder Breaks	Small Quantity	Visual Inspection

Comments:

**Page 53-18** **WSDOT Local Agency Guidelines M 36-63.04**  
**October 2008**

## Bid Item Documentation Review – Mobilization

Agency: \_\_\_\_\_ Project Title: \_\_\_\_\_

Federal Aid Number: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Standard Specification 1-09.7 Mobilization

Contract Bid Amount \_\_\_\_\_ Mobilization Bid Amount \_\_\_\_\_

5 % of Contract Bid Amount \_\_\_\_\_ 50% Mobilization Bid Amount \_\_\_\_\_

10 % of Contract Bid Amount \_\_\_\_\_

Mobilization Paid on Estimate No. \_\_\_\_\_

Contract Items Paid that Estimate \_\_\_\_\_ Mobilization Paid that Estimate \_\_\_\_\_

Mobilization Paid on Estimate No. \_\_\_\_\_

Contract Items Paid that Estimate \_\_\_\_\_ Mobilization Paid that Estimate \_\_\_\_\_

Mobilization Paid on Estimate No. \_\_\_\_\_

Contract Items Paid that Estimate \_\_\_\_\_ Mobilization Paid that Estimate \_\_\_\_\_

Mobilization Paid after Substantial Completion \_\_\_\_\_

### Notes:

1. When 5 percent of the total original contract amount is earned from other contract items, excluding amounts paid for materials on hand, 50 percent of the amount bid for mobilization, or 5 percent of the total original contract amount, whichever is the least, will be paid.
2. When 10 percent of the total original contract amount is earned from other contract items, excluding amounts paid for materials on hand, 100 percent of the amount bid for mobilization, or 10 percent of the total original contract amount, whichever is the least, will be paid.
3. When the substantial completion date has been established for the project, payment of any amount bid for mobilization in excess of 10 percent of the total original contract amount.

Acceptable \_\_\_\_\_ Corrections Needed \_\_\_\_\_



**Washington State  
Department of Transportation**

**Final Inspection of  
Federal Aid Project  
Constructed Under 23 U.S.C. 117**

[illegible]DOT Form 140-500 EF  
Revised 5/05

## Appendix 53.53

## Quarterly Report of Amounts Credited as DBE Participation



**Washington State  
Department of Transportation**

### Quarterly Report of Amounts Credited as DBE Participation

Check appropriate reporting period and enter reporting year. <input type="checkbox"/> 1st Quarter - January (Oct. - Dec.) <input type="checkbox"/> 4th Quarter - October (July - Sept.) <input type="checkbox"/> 2nd Quarter - April (Jan. - Mar.) <input type="checkbox"/> Final <input type="checkbox"/> 3rd Quarter - July (April - June)    Reporting Year _____		State Contract Number _____  Federal Employer I.D. Number _____	
Contractor _____			
<b>DBE Participant Name and Federal Employer I.D. Number</b>	<b>Contract Type</b>	<b>Date of Payment</b>	<b>*Dollar Credit Amount</b>
<p style="text-align: center;"><b>Contract Type:</b></p> <div style="display: flex; justify-content: space-between;"> <div>             S = Subcontractor              M = Manufacturer              J = Joint Venture           </div> <div>             A = Agent              R = Regular Dealer              V = Service Provider           </div> </div>			
<p>I, the undersigned, do hereby certify that in connection with all work on the project for which this statement is submitted, each DBE participant contracted by me has been paid on the dates shown. *Further, I certify that the amounts shown under "Dollar Credit Amount" are in accordance with the <b>"DBE Eligibility"</b> portion of the DBE Special Provision.</p>			
Signature _____ Title _____			

**This form is due on the 20th of the month following the end of the respective Quarter (January, April, July, October).**

DOT Form 422-102 EF  
Revised 2/2006

